

## **FISCAL NOTE**

### **HB 2903 - SB 3123**

February 26, 2006

**SUMMARY OF BILL:** Abolishes the Certificates for Driving (CFD) program and authorizes the issuance of a one-year renewable driver license to an alien who demonstrates a lawful presence in the State of Tennessee.

#### **ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – As of February 24, 2006, the Department of Safety has suspended the issuance of CFDs. The Department indicates that when the issuance of CFDs resumes, the Department will issue a one-year renewable CFD only to aliens who can demonstrate a lawful presence in the State of Tennessee. The fiscal impact of this bill will be minimal if the department keeps such current policy. If the department reverses the current policy (adopted February 24, 2006) and allows the issuance of CFDs to undocumented aliens, the estimated fiscal impact of this bill will be as follows:**

**Decrease State Revenues – Exceeds \$550,000**

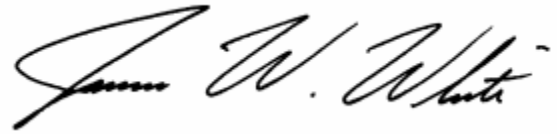
**Decrease State Expenditures – Exceeds \$40,000**

Assumption:

- The provisions of this bill allow for the issuance of a one-year renewable driver license to an alien who demonstrates a lawful presence in the State of Tennessee. Current departmental policy adopted February 24, 2006 allows for the issuance of a one-year renewable CFD to an alien who demonstrates a lawful presence in the State of Tennessee. The cost of the driver license issued under the provisions of this bill and the cost of the CFD issued under departmental policy is identical (\$19.50 annually).
- In the event that the department reverses current policy (adopted February 24, 2006) and allows the issuance of CFDs to undocumented aliens, there will be a decrease in revenues and expenditures as a result of not issuing the CFDs and collecting fees. Under the policy adopted February 24, 2006, the department has chosen to forfeit such revenues which had been collected and reduce related expenditures.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director